



Jim Doyle
Governor

Helene Nelson
Secretary

State of Wisconsin
Department of Health and Family Services

DIVISION OF DISABILITY AND ELDER SERVICES

1 WEST WILSON STREET
P O BOX 7851
MADISON WI 53707-7851

Telephone: (608) 266-2000
FAX: (608) 266-2579
TTY: (608) 266-7376
www.dhfs.state.wi.us

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To: County Human Services Departments
Departments of Community Programs
County Developmental Disabilities Coordinators
County Family Support Coordinators
AA/AAA Office of Strategic Finance
Community Integration Specialists (CIS)

From: Sinikka Santala, Administrator

RE: Children's Waivers and Intensive Autism Services

Background

The intensive autism treatment services have previously been provided under the State Medicaid Fee-for-Service Plan. However, recent clarification from the federal Medicaid agency, the Centers for Medicare and Medicaid Services (CMS), indicates that these services are habilitative in nature and therefore must be provided through the home and community-based waivers rather than the State Medicaid Plan. After an initial proposal to eliminate these services in the budget, a compromise position was developed to move these services to the Children's Waivers that were in process as a part of the Children's Long-Term Support Redesign.

The Waivers

The Children's Waivers are comparable to the waivers that counties currently manage, including the Community Integration Program (CIP 1A and CIP 1 B), and the Community Options Program Waiver (COP-W). There are several unique features to the waivers for children. First, CMS does not permit combining target groups in waivers. For example, the elderly and people with developmental disabilities cannot receive services from the same waiver. Therefore, there are three new waivers for children. One for children with physical disabilities, one for children with developmental disabilities and one for children with mental health needs. The Children's Waivers have an upper age limit of 22 years. The services that can be provided under these waivers are the same, and overall the services are comparable to those offered under the existing adult waivers.

This memo describes the details related to transition of services for children previously receiving intensive autism under the Medicaid Fee-For-Service System to the Home and Community-Based Services Waivers for Children. A decision is required from counties by November 1, 2003.

There are several services in these waivers that are unique to children. They include intensive autism treatment services, childcare, and family-directed services and supports. The intensive services are defined very narrowly in the waiver. First, a child must have a verified diagnosis of an autism spectrum disorder to be eligible for this service. Second, the services must begin before the child turns eight years of age because this is the group of children for whom these services are known to be most cost-effective. Children are also limited to a maximum of three years of services at the intensive level. Children must show progress within the first 18 months of services or they will no longer be eligible for the intensive level of services. Finally, if a child is receiving intensive services, these services are exclusive of other services available through the waiver, unless the county opts to make an exception to this rule.

Counties will use the current reporting system, the Human Services Reporting System (HSRS) - Long-Term Support Module, to track individual costs under the waivers. The Department of Health and Family Services (DHFS) is still in the process of finalizing the reporting requirements. However, it is likely that costs will be tracked to each individual target group using HSRS so that county reporting under the state-county contracting system will be as simple as possible.

Counties will be able to use the waivers in several ways. For the children who have been receiving intensive autism services under the State Medicaid Plan, there are state-funded waiver slots available. Details about these slots and the state funding available are discussed later in this document. There are also a small number of state-funded slots available for the Children's Redesign Pilot Counties. These counties will be selected in the future through a Request for Proposal (RFP) process. There are also a small number of state-funded slots for children who are in a crisis situation. Counties will also be able to use Children's Waiver slots using other non-federal sources. This would include Family Support and Community Options Programs, as well as Community Aids and local levy funds. This process is comparable to the locally matched slots that counties are familiar with under the existing waivers.

Funding for the Intensive Autism Services

Children who are currently receiving intensive autism services under the State Medicaid Plan will need to transition to the Children's Waivers. Children who have received less than three years of intensive services will be able to continue to receive intensive services under the waiver. On average, services at this level cost \$96.00 per day, which includes case management services as well as 7% administrative costs. Counties will receive the actual daily rate to fund the child's current level of intensive services, or will be able to receive either this average amount of funding for each child at the intensive level with cost averaging occurring at the county level.

Children who have already received three or more years of the intensive services, or who started intensive services after age eight years, will be eligible to receive an ongoing waiver slot. These slots are funded at \$30.60 per day. Many of these children have already had their service levels reduced to 15 hours per week. These services will be further reduced to approximately seven hours under the ongoing waiver, or the family may opt to have other waiver services that meet their child's needs that are within this daily rate. This rate is based upon the average cost of children's services under the existing waivers. Children are not entitled to a specific daily rate, rather it is based upon the individual child's assessed needs and the services and supports that are necessary to meet those needs. The funding per child at the ongoing level remains available to the county until

the child ages out of the Children's Waiver or until they no longer meet functional or financial eligibility for the waivers. As children transition from intensive services to ongoing services, the county will continue to get new ongoing slots at this lower daily rate.

New Children Entering Intensive Services

Counties will receive new slots at the intensive level of funding as new children meeting the criteria of intensive services are brought onto the waiver. The intake for new children will have the following steps under the waiver. Families interested in getting intensive services would contact the county. The county will provide a list of independent practitioners in order to have the autism spectrum disorder verified. If the diagnosis is verified, the child will be referred back the county. The county will then determine whether or not the child meets functional and financial eligibility for the Children's Waivers. If the child meets these various criteria, the county will request an intensive level slot so the child can begin intensive services.

There are 250 new intensive slots budgeted per year. If the demand for new slots exceeds availability, the State will maintain a waiting list for these intensive service slots.

Evaluations and 18th Month Assessment of Progress

The State Medicaid Program will continue to fund the initial independent evaluation and verification of a child's diagnosis in the Autism Spectrum of Disorders. This is also the payment source for the 18th month reevaluation to assess the child's progress with the intensive services. Providers of these evaluations will bill private insurance sources, then Medicaid directly.

Parental Fee System

There will be a new parental fee system for all children's long-term supports. This includes the Children's Waivers, as well as the other waivers. The parental fee is assessed separately from the waiver cost share. The parental fee will be determined and collected by the State. The parental fee is quite substantial for families at high-income levels. For example, a family of four with income in excess of \$200,000 would have a parental fee of \$10,000 whereas a family of four with income less than \$58,500 would not pay a fee.

Collecting the parental fee at the state level has several benefits. The funds when collected in this manner can be matched to federal funds and returned to counties as additional state-funded slots to meet the needs of other children. If a family refuses to pay their parental fee, their child's services cannot be reduced or eliminated; however, the State can aggressively pursue collections. The State has the ability to reduce the amount due from a family to judgement, without taking individual collection action for each family. This will assure that the maximum amount is collected through the parental fee system thus assuring maximum funding returning to the children's long-term support system.

County Options

DHFS is interested in working with counties to coordinate the intensive autism services, as well as other waiver allowable services for children with disabilities at the county level. The services under the State Medicaid Plan must transition to the waivers by the end of November 2003 and not later than the end of 2003. Most counties are already providing some supports and services to families whose children have long-term support needs. The waivers offer the opportunity to maximize existing funds by providing federal match to current funding. The funding for children with autism provides an additional resource for meeting children's needs. DHFS can provide a variety of

supports to counties as this change occurs. This can include, at a county's discretion, contracted case management services, as well as contracts with the current providers of the intensive services. State staff will also determine the functional and financial eligibility for all children that will transition. The State can also develop initial Individual Service Plans (ISPs) for children at the intensive level.

If a county initially chooses to participate in coordinating the intensive autism services and ongoing waiver services for children at the post intensive autism level, but subsequently determines that they cannot continue to effectively meet the needs of these children, a county can decide to discontinue participating in its implementation. At that time, the State will step in and assume responsibility for the coordination of services for these children.

If a county declines to assist with the transition of intensive autism services to the waivers, DHFS is prepared to operate the waivers directly for the group of children affected by this change. This means that the State will be directly contracting with a variety of providers to meet the needs of these children and families. The State has previous experience in the provision of services in this manner and it does introduce a number of challenges at the county level. Although the State is taking on responsibility for intensive autism services, the other needs that children and families may have, such as child protective services and out-of-home placement, remain the responsibility of the county in which the family resides. This means that these county programs must coordinate with the state as a service provider in order for us to assure the health and safety of your county residents. Additionally, the State operating long-term supports within a county introduces additional challenges. For example, the State may be contracting with many of the same providers that the counties use for long-term support services. This creates differences for the county in that the State may be paying differing rates than the county does for identical services.

Another issue introduced by the State directly operating intensive autism services is that all resources currently committed to this group of children follows them to the waiver. For example, if the family is currently receiving Family Support or Community Options Program funding, this funding will be removed from the county's contract so that the State will have this resource available to continue to meet the child's needs. If the child is already receiving services through an existing waiver (such as CIP 1B), this funding must also follow the child whether the services are currently state or locally matched. In other words, current waiver policies assure continuity of funding similar to that assured to waiver participants when they move from county to county.

Timeline

The transition of services needs to be completed within the next several months. The State anticipates approval of the Children's Waivers by October 2003. Therefore, the State will need to know each county's decision not later than November 1, 2003 in order to meet this timeline.

Contact Information

If you need additional information please contact either Beth Wroblewski at (608) 266-7469 or wroblbm@dhfs.state.wi.us or Julie Bryda at (262) 650-4445 or brydaja@dhfs.state.wi.us.